Investors' complaints received by SEBI

3733. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the thousands of complaints are being received by Securities and Exchange Board of India (SEBI) from investors against several companies;

(b) whether it is a fact that some companies, such as Essar Gujarat Limited, have repeatedly been figured in the list of such companies;

(c) whether it is a fact that the Companies Act, 1956 empowers Government to prosecute the companies with regard to some of the common investor complaints;

(d) whether Government have launched any such prosecutions particularly against the companies who have repeatedly figured in the aforesaid list;

(e) if so, the number thereof; and

(f) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Yes, Sir.

(c) Yes, Sir.

(d) Government has launched prosecutions against defaulting companies and officers thereof for contravening the provisions of the Companies Act, 1956, on the basis of information available, including complaints received from investors and other agencies.

(e) 179 prosecutions have been launched againt defaulting companies during the last two years.

(f) Does not arise in view of replies to (d) and (e) above.

Working of Nationalised Banks

3734. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government's have been drawn to the newsitem appearing in the Hindustan Times of 26th July, 1994 under the caption "Banks one cannot bank on";

(b) if so, the facts thereof; and

(c) the reaction of the Government thereto;

(d) the action taken to revamp the working of the nationalised banks;

(e) the names of the nationalised banks which are running into losses and by how much and what steps have been taken to bring them out of red or to merge them with other profit making banks;

(f) whether Government have reviewed the working of the nationalised banks; and

(g) if so, with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) The newsitem refers to unsatisfactory customer service in nationalised banks.

(c) Customer Service in banks is regularly reviewed from time to time by Reserve Bank of India/Government and necessary measures taken to improve the same. A Committee under the Chairmanship of Shri M. N. Goiporia, the then Chairman, State Bank of India was constituted in September, 1990 to examine customer service in banks. The Committee made wide ranging recommendations. Reserve Bank of India have already issued necessary instructions to the banks for implementation of the accepted recommendations of the Committee.

(d) and (e) Nationalised banks have entered into performance agreements with the Reserve Bank of India with a view to improve performance in key operational areas. Out of the nationalised banks who have so far finalised their annual accounts for the year 1993-94, the following have incurred losses as per details given below:—

(Rs. in crores)

1.	Allahabad Bank	367.72
2.	Andhra Bank	162.25
3.	Bank of India	1089.15
4.	Bank of Maharashtra	296.93
5.	Central Bank of India	711.93
6.	Dena Bank	69.84
7.	Indian Overseas bank	351.18
8.	Punjab & Sind Bank	175.98

9.	Syndicate bank	299.40
10.	United Bank of India	618.06
11.	UCO Bank	546.45

(f) and (g) The working of nationalised banks is reviewed on an on-going basis by the Reserve Bank of India and the Government. The nationalised banks have taken steps to improve their performance in terms of profitability, productivity and efficiency.

Central Assistance to Karnataka

3735. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Karnataka had made a request for Central assistance for setting up a project for restoration and reconstruction of developmental infrastructure in the State affected by flash floods in 1991 and consequently in 1992, involving an outlay of Rs. 1050 crores;

(b) whether the Department of Economic Affairs at the Centre has reacted with a few suggestions to the State to restrict the proposal only to rehabilitation and disaster preparedness aspects and whether the State Government has agreed to consider and accept the suggestions;

(c) whether Government are aware of the fact that the State is now reeling under the impact of flash floods; fourth year in a row and unable to mobilise resources to restore the basic infrastructure ravaged by the floods; and

(d) what is the likely content of Centre's relief package both on accout of relief work necessitated by past floods and the current one in 1994?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKAR MURTHY): (a) and (d) Government of Karnataka had prepared a Project for Restoration and Reconstruction of Developmental Infrastructure in flood affected areas of Karnataka State at a cost of Rs. 1050.30 crores. the main components of the Project Report are reconstruction of damaged major and minor irrigation, flood control, anti sea-erosion, road construction, forestry for flood-prone areas, electricity transmission & distribtuion system and housing. The Project proposal also contains reconstruction of developmental infrastructure damaged during floods in 1991 and 1992.

The project proposal was posed to the World Bank for assistance. The Bank has informed that it does not have any project vehicle at this time and they do not see the possibility for picking this up in the near future given the other projects in the pipeline.

During the cuurent monsoon, incessant and heavy rains have resulted in serious flood situation in parts of the State. According to information received from Government of Karnataka, the details are as under:—

Number of District affected	:	11
Number of Villages affected	:	5606
Area affected	:	24.16 lakhs ha.
Crop area affected	:	6.35 lakhs ha.
Population affected	:	47.39 lakhs
House damage	:	25177
Human lives lost	:	64

Under the existing scheme for financing expenditure, the State Govt. is required to undertake relief and rehabilitation measures in the wake of all natural calamities using the corpus of Calamity Relief Fund allocated to the State.

Loans to Backward and Weaker Sections

3736. SHRI VIREN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the public sector banks have been directed to assist in the improvement of economic condition of backward and weaker sections of society by extending them loans;

(b) if so, what are the details of the directives and to what extent these directives have been implemented by the banks;

(c) whether it is also a fact that backward and weaker sections are being discouraged and humiliated by many bank officers in the absence of clear directives and misleading interpretation thereof;

(d) whether such cases have been brought to the notice of Government; and

(e) if so, what is the number and details of such cases brought to the Government's notice during each of the last three years alongwith the action taken thereon?